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C O N F I D E N T I A L SECTION 01 OF 03 MANAMA 000899

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STATE FOR PM, NEA OSD FOR PDUSD HENRY NSC FOR DORAN

E.O. 12958: DECL: 05/16/2016

TAGS: PREL PARM MARR MASS KDEM KMPI BA IRA REGION

BILAT, OFFICIALS

SUBJECT: INTERAGENCY DELEGATION DISCUSSES GULF SECURITY

DIALOGUE WITH CROWN PRINCE SALMAN

REF: STATE 76798

Classified by Ambassador William T. Monroe for reasons 1.4 (b) and (d).

Summary

- 11. (C) An interagency delegation led by Principal Deputy Under Secretary of Defense Henry and Assistant Secretary of State Hillen met with Crown Prince Salman May 14 and discussed the Gulf Security Dialogue, the threat posed by Iran, direct contacts between the U.S. and Iran, a declaratory security policy in the Gulf, reform in the region, energy security, and a proposal for Secretary Rumsfeld to visit the region. The CP agreed on launching the Gulf Security Dialogue as a way to bring together America and its friends. Bahrain believes Iran is the greatest threat to regional stability and that the EU-3 talks are no longer relevant. He suggested the U.S. participate in multi-partyEYQeQ!_t, and others firmly into a coalition opposing Iran. He requested U.S. assistance in convincing Qatar to export natural gas to Bahrain, and asked that Secretary Rumsfeld visit the region to secure Gulf support for shared regional policies. End Summary.
- 12. (C) An interagency delegation led by Principal Deputy Under Secretary of Defense for Policy Henry and Assistant Secretary of State for Political Military Affairs Hillen met

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with Crown Prince Shaikh Salman bin Hamad Al Khalifa May 14 and discussed the Gulf Security Dialogue, the Iranian challenge, U.S.-Iran talks, NATO security policy in the Gulf, reform, energy security, and a suggested visit by Secretary Rumsfeld. Participating on the U.S. side were PDUSD Henry, A/S Hillen, Ambassador Monroe, NSC Senior Director for Near East and North African Affairs Doran, Central Command Director for Strategy, Plans and Policy ADM Moeller, PM Chief of Staff Ruggiero, Military Assistant COL Graham, and Pol/Econ Chief (notetaker). On the Bahraini side were Crown Prince Salman, CP Chief of Staff Shaikh Khalifa bin Daij Al Khalifa, and MFA Assistant Under Secretary Shaikh Abdul Aziz bin Mubarak Al Khalifa.

Launching the Gulf Security Dialogue

- 13. (C) A/S Hillen told the Crown Prince that there was a commonality of views between the U.S. and its friend in the region on the Iranian threat and the need for a good outcome in Iraq. Secretary Rice wants to launch a ministerial dialogue with her counterparts in the Gulf to discuss defense cooperation, Iraq, regional stability and Iran, energy security, counter-proliferation, and counter-terrorism. Meetings could take place in the fall on the margins of the UN General Assembly. As part of the Gulf Security Dialogue, the U.S. could seek additional security assistance funding for Bahrain, perhaps to upgrade its air defense system. We would solicit the Bahrain Defense Force's input on possible additional equipment and training. The U.S. wants to put the pieces into place to increase the level of engagement with our friends and reassure them that the U.S. is here to stay and will work with them to enhance regional security.
- ¶4. (C) The CP responded that it is a great idea to launch a dialogue. Higher assistance levels for training and missile defense would be beneficial, but likely not sufficient to "draw a line" to ensure the security of the Gulf States. There is a global confrontation of ideas between those bringing the world closer together and those who seek conflict. Those supporting modernity must confront countries moving against the grain. The U.S.'s enemies may think America will not defend its friends in the battle against radical Islam. It is important to recognize the importance of "soft power," such as economic growth and the embrace of the international community. States that are moving toward shared goals should be supported. Many of these, including Arab countries, can be neurotic and need to be reassured

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constantly.

Iran Primary Threat to Regional Stability

- 15. (C) Shaikh Salman said that in Bahrain's view, Iran is the primary threat to regional stability and Bahrain wants to align its policy with that of the United States on this issue. The stakes are high. Iran is bracing itself for a confrontation and could instruct its "client groups" to use violent methods of resistance. This concerns Bahrain, the CP said, because actions by supporters of Iran inside Bahrain could cause strategic harm to the country. The CP added that in confronting Iran, Bahrain supports initiatives like the Proliferation Security Initiative.
- 16. (C) The general consensus is that the EU-3 negotiations are no longer relevant, the Crown Prince said, and can no longer serve to influence Iran. His advice is that now is the time for the U.S. to talk to Iran in a structured context along the lines of the multi-party talks with North Korea. The Russians and Indians should also be involved. Military action is inadvisable currently, while there are diplomatic initiatives to pursue. If diplomacy fails, however, and Iran is belligerent and seeks to leverage its threat to develop WMD, the aim of military action on Iran should be regime change and not just a punitive strike.
- 17. (C) Director Doran said the U.S. is hesitant to sit with the Iranians. The concern is that once the U.S. is at the table, it will have to take the lead in place of the Europeans. If talks break down, a big segment of Europe's population would blame the United States. Last November, the U.S. put on the table the possibility of talks with Iran about the situation in Iraq. The Iranian government leaked the news and put out propaganda that the U.S. had accepted Iranian terms. The Iraqis and others were very upset. The U.S. objective is to apply very serious pressure on Iran through sanctions and isolation to get it to give up aspirations for a complete nuclear fuel cycle process, which is a red line for the United States. Solidarity with the

Europeans and the Arabs is required. The CP responded that the form of direct American engagement with Iran was not important. At the right time, it could be an observer at talks between the EU-3 and Iran.

Declaratory Security Policy in Gulf

18. (C) A/S Hillen said that changing the declaratory security policy of the United States could be part of a grand regional strategy. PDUSD Henry agreed that this could serve to reaffirm our commitment to our allies. The CP said he was very supportive of a declaratory policy. One possible way to implement it would be to build upon the NATO Istanbul Cooperation Initiative. NATO could make clear that it would respond to a WMD strike with similar force. A declaratory statement would calm feelings in the region, he said.

Flexibility on Principles of Reform

- ¶9. (C) In order to broaden the coalition facing Iran, the CP said the U.S. should be flexible on reform. Reform was taking place in the region. Bahrain is committed to its reform program. But the U.S. is missing the traditional leadership and support of the Saudis. There should be an effort to reengage with the Saudis and the Egyptians to establish new principles on reform. Iran will try to strike U.S. and Arab interests in Iraq, especially in the south. It could cause enormous damage. The Saudis, Egyptians, and Arab League all generally support U.S. policy in Iraq. Bringing America's regional security partners into a coalition against Iran sends a clear message about who are the friends and the antagonists.
- 110. (C) The CP continued that there has to be a balance between support for a government and support for the people. Bahrain struggles with the right pace for reform. As the government takes one step forward, reactionaries resist while

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others demand more. As long as security forces are not repressive and people are not dying, this dynamic is acceptable. But countries like the United States should be careful when choosing to support people at the expense of regimes.

Energy Security

111. (C) Referring to the Security Dialogue agenda, the CP agreed that energy security was an important issue. Bahrain is currently in a situation where it is consuming all of its natural gas and needs to buy more. It would like to purchase Qatari gas but Qatar has said that it has already committed all of its production. Bahrain is ready to buy now, and so must explore the possibility of importing from Iran. He requested U.S. support to convince Qatar to export gas to Bahrain.

Secretary Rumsfeld Visit to Region?

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112. (C) In closing, the Crown Prince suggested that Defense Secretary Rumsfeld visit Bahrain and the region to deliver a

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message to the Gulf leadership. Relationships are personal, not institutional, in this part of the world, and the U.S. needs its Gulf allies to execute a shared policy. He

recalled that then Defense Secretary Cheney visited Saudi King Fahd shortly after Iraq occupied Kuwait in 1990, and they came to an agreement on the actions that followed. Secretary Rumsfeld should make a similar kind of visit where

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leaders engage seriously on the issues.

13. (U) PDUSD Henry and A/S Hillen cleared this cable.

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